

CITY OF HAYWARD AGENDA REPORT

AGENDA DATE
AGENDA ITEM
WORK SESSION ITEM

03/28/06

TO:

Mayor and City Council

FROM:

Director of Public Works

SUBJECT:

Water Pollution Control Facility Improvement Project Phase I State Revolving

Fund Loan: Revised Authorization for the City Manager to Execute Loan

Agreement

RECOMMENDATION:

It is recommended that the City Council adopt a resolution authorizing the City Manager to execute an agreement for a State Water Resources Control Board (SWRCB) Revolving Fund Loan in the approximate amount of \$54,550,000 for construction of the Water Pollution Control Facility (WPCF) Phase I Improvement Project.

DISCUSSION:

As the City Council is aware, the staff has been successful in obtaining the SWRCB's approval of a State Revolving Fund loan to finance the WPCF Improvement Project. However, when the City Council last authorized the filing of the loan application, the cost estimate for construction was considerably lower than the final bid, and the anticipated loan amount was \$33,000,000. The construction contract was awarded in September 2005 in the amount of \$48,770,000, significantly higher than the estimates. The eligible loan amount was adjusted to just over \$54,550,000 to reflect this increased construction cost and appropriate allowances for design and construction management.

In order for the City to enter into an agreement with the State for the eligible loan, it is necessary for City Council to adopt a new resolution authorizing the City Manager to execute the agreement for the new amount. The attached resolution has been prepared to comply with this requirement.

Prepared by:

Alex Ameri, Deputy Director of Public Works

Recommended by:

Robert Bauman, Director of Public Works

Approved by:

Jesús Armas, City Manager



HAYWARD CITY COUNCIL

RESOLUTION NO. 06-___

Introduced by Council Member _____

RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A LOAN AGREEMENT WITH THE STATE WATER RESOURCES CONTROL BOARD FOR A STATE REVOLVING FUND LOAN, IN THE AMOUNT OF APPROXIMATELY \$54,550,000 TO CONSTRUCT THE WATER POLLUTION CONTROL FACILITY IMPROVEMENTS PHASE I PROJECT, PROJECT NO. 7518

BE IT RESOLVED by the City Council of the City of Hayward that the City Manager is hereby authorized and directed to execute a loan contract with the State Water Resources Control Board, on behalf of the City of Hayward, in the amount of approximately \$54,550,000 and any amendments or change orders thereto.

City Attorney of the City of Hayward